

COMMONWEALTH OF VIRGINIA  
**WORKFORCE INVESTMENT ACT**

VIRGINIA EMPLOYMENT COMMISSION

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**FIELD GUIDANCE MEMORANDUM #05-05**

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**TO:** Local Government Grant Recipients, Local Workforce Investment Boards and Other Recipients or Sub-recipients of State and Local WIA Funding

**FROM:** WIA Division

**SUBJECT:** WIA Funding Prohibitions

**DATE:** May 4, 2005

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WIA funds may not be expended on the following activities:

- Public service employment, except to provide disaster relief employment, as specifically authorized in Section 173(d) of WIA [WIA Section 195(10)] [20 CFR 667.264];
- Relocation of a business or part of a business that results in the loss of employment at the original location [WIA Section 181(d)] [20 CFR 667.268];
- Employment generating and similar activities if not related to training for eligible individuals [WIA Section 181(e)] [20 CFR 667.262];
- Sectarian activities [WIA Section 188(a)(3)] [20 CFR 667.266(b)(2)];
- Foreign travel [WIA Section 181(e)] [20 CFR 667.264];
- Political activities [WIA Section 195(6)];
- Duplication of facilities/services available in the area [WIA Section 195(2)] [20 CFR 663.320];
- Employment or training of participants in sectarian activities [20 CFR 667.266];
- Charging participants a fee for placement or referral into a training or other WIA-funded program [WIA Section 195(5)];
- Wages of incumbent employees during participation in economic development activities [WIA Section 181(b)(1)] [20 CFR, 667.264];
- Displacement of employees by any WIA participants [WIA Section 181(b)(2) and (3)] [20 CFR 667.270];
- The promotion or deterrence of union organizing [WIA Section 181(b)(7)];
- Purchase or building/capital improvements except
  - To meet obligations for access and accommodation under Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act (ADA) of 1990, as amended, or
  - Repairs, renovations, and capital improvements of real property, including
    - State Employment Service Agency (SESA) real property (identified at WIA Section 193),

- Job Training Partnership Act (JTPA) owned property transferred to WIA Title I programs,
  - Job Corps facilities, or
  - To fund construction-related disaster relief projects.
- All those unallowable activities in the applicable OMB circular on cost principles; OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, and/or OMB Circular A-122, *Cost Principles for Non-Profit Organizations* (including all prior approval requirements); and
- For direct non-formula recipients only, consultant fees in excess of \$450 per day.

Local grant recipients and local workforce investment boards are hereby notified that any written agreement related to the expenditure of WIA funds in the Commonwealth should reference these prohibitions.